

2019-2022 Budget Year Abatements

County / Entity	2019	2020	2021	2022 (Aug prelim)
Arapahoe County - CFPD	23,576	44,268	-	-
Arapahoe County - SMFR	205,844	353,482	539,991	625,035
Douglas County - HRMD	92,334	-	-	-
Douglas County - LFPD	1,519	210	-	-
Douglas County - SMFR	44,839	245,529	127,534	315,595
Jefferson County - SMFR	15,695	13,711	6,838	1,976
Total Abatements	383,807	657,200	674,363	942,606

AV:	13,498,485,109
Mill Equivalent:	0.0698
 Total Mill:	 9.32

FUND BALANCE STRUCTURE

9.20.21

GUIDANCE

- GASB Statement No. 54
 - The objective was to enhance the usefulness of fund balance information by providing clearer fund balance classifications
- Fund Balance
 - Non-spendable: Assets that are not easily converted to cash
 - Restricted: Specific purposes stipulated by constitution, legislation, etc.
 - Committed: Specific purposes determined by formal action of the government's highest level of decision-making authority
 - Assigned: Specific purposes but does not meet the criteria of restricted or committed. For funds other than the general fund, residual amounts are always assigned.
 - Unassigned: Residual classification for the general fund only
- District policy is to use the most restrictive classification first.

CURRENT DESIGNATIONS

- General Fund:
 - Non-spendable:
 - Prepaid items
 - Inventory
 - Restricted:
 - TABOR reserve 3%
 - Excise tax
- Self Insured Fund: considered a proprietary fund, not subject to the same technical requirements. All is essentially restricted for the use of medical claims/self insurance activity.

OPTIONS

- Add fund balance categories to the financial statements
- Fully fund the Capital Projects Funds annually

FUND BALANCE ILLUSTRATION : JULY FINANCIALS

	General	Capital Projects	Building Rental	Self Insured Medical	JACC	Total
Nonspendable:						
Prepaid Items	4,777,645	14,196	652	-	-	4,792,493
Inventory	1,435,119	-	-	-	-	1,435,119
Restricted:						
TABOR Reserve (3%)	4,173,110	-	-	-	-	4,173,110
Excise Tax Reserve	201,667	-	-	-	-	201,667
Self Insurance	-	-	-	755,890	-	755,890
JACC Projects	-	-	-	-	182,820	182,820
Committed:						
Capital Projects Reserve	15,000,000	-	-	-	-	15,000,000
Operating Reserve (22%)	30,602,805	-	-	-	-	30,602,805
Korn Ferry Study	500,000	-	-	-	-	500,000
Assigned:						
Sleep Study	1,000,000	-	-	-	-	1,000,000
Capital Projects Current Year	-	(14,196)	-	-	-	(14,196)
Building Rental	-	-	548,785	-	-	548,785
Unassigned	47,552,694	-	-	-	-	47,552,694
Total Fund Balances	<u>\$ 105,243,040</u>	<u>\$ -</u>	<u>\$ 549,437</u>	<u>\$ 755,890</u>	<u>\$ 182,820</u>	<u>\$ 106,731,187</u>

FUNDING CAPITAL PROJECTS ILLUSTRATION

	General	Capital Projects
Assets		
Checking	\$ -	\$ 4,387,631
Money market	6,887	-
Colostrust	1,984,389	4,114
Investments	25,523,608	-
Accounts receivable	41,155,852	-
Interest receivable	81,233	-
Due from other funds	1,000,000	-
Prepays	6,463,241	99,255
Inventory	1,468,253	-
Total Assets	77,683,463	4,491,000
Liabilities		
Accounts payable - general	3,760,441	917,874
Accounts payable - payroll and benefits	19,405	-
Deferred revenue	24,210	-
Due to other funds	-	-
Total Liabilities	3,804,056	917,874
Fund Balances	\$ 73,879,407	\$ 3,573,126

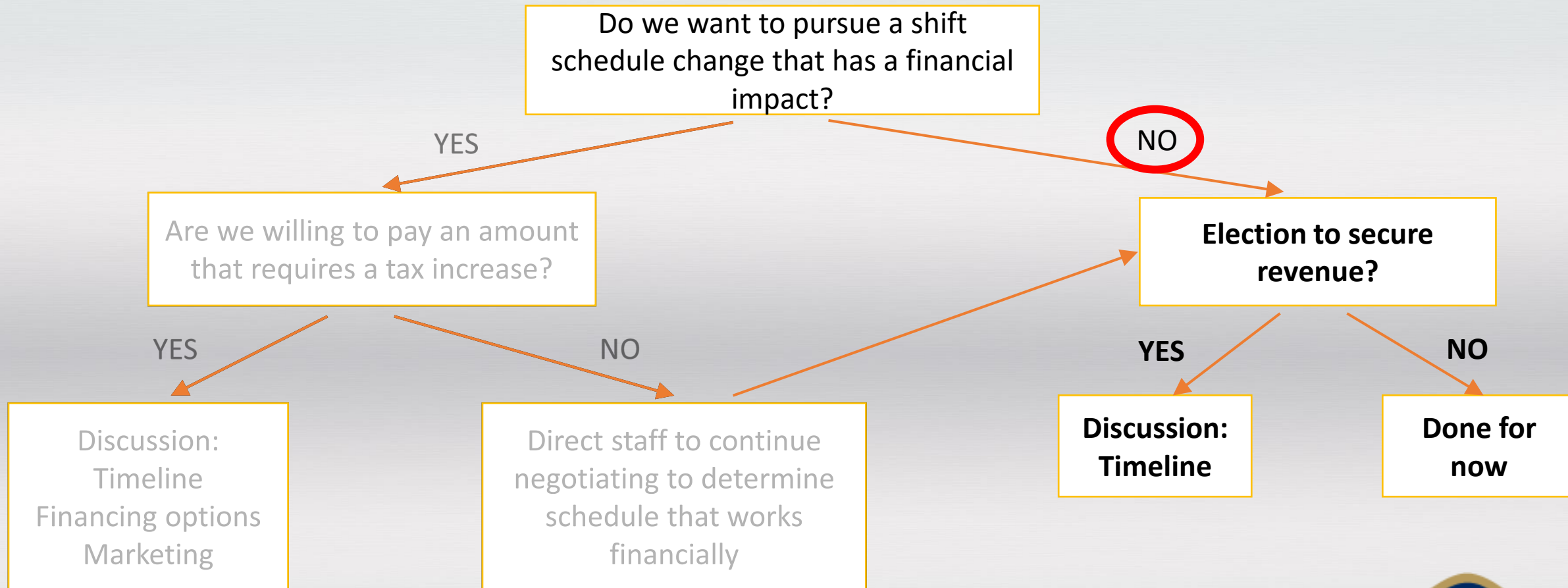
- Move funds to the capital projects fund annually
- Requires budgeting for the “transfer out” portion of the transaction
- Requires close monitoring of the cash and investments so that enough funds are liquid in the General Fund
- May requiring the borrowing of cash between the funds (due to/due from) if cash is not available
- Requires an annual decision on the amount to be transferred from the General Fund to the Capital Projects Fund (or the opposite if too much is sitting in the CPF)

Revenue Stabilization Board Discussion



September 20, 2021
Special Board Meeting

The Path



Impact

Type of Property		Current Assessment Rate	Assessment rate – SB21-293	Assessment rate IF SB21-293 & Initiative 27 passes	Assessment rate had SB21-293 not passed and Initiative 27 does pass
Non-residential	Hotels, motels and B &Bs – ‘lodging properties’	29%	29%	26.4%	26.4%
	Renewable Energy Production	29%	26.4% (for property tax years 2022 and 2023). Returns to 29% in property tax year 2024.	26.4% (for two years)	26.4%
	Agricultural Property	29%	26.4% (for property tax years 2022 and 2023). Returns to 29% in property tax year 2024.	26.4% (for two years)	26.4%
	Commercial, Vacant, Industry	29%	29%	29%	26.4%
	Oil & Gas	87.5%	87.5%	87.5%	87.5%
Residential	Multi-family housing (i.e. apartments)	7.15%	6.80% (for property tax years 2022 and 2023). Returns to 7.15% in property tax year 2024.	6.5%	6.5%
	All other residential property	7.15%	6.95% (for property tax years 2022 and 2023). Returns to 7.15% in property tax year 2024.	6.95% (for two years)	



Impact

Proposition 120 - Currently

Talking: KEVI

SB21-293 Passes

Changes classification of residential and nonresidential properties

Prop 120 only applies to multi-family residential and lodging nonresidential

Assessment Rate Changes Under Proposition 120

Type of Property	Without Proposition 120			With Proposition 120
	2021	2022 and 2023	2024	Starting in 2022
Multifamily Properties	7.15%	6.8%	7.15%	6.5%
Lodging Properties	29%	29%	29%	26.4%

If passed, Prop 120 will still reduce state revenues by **\$45 million in 2022** and **\$50 in 2023**.

Source: Legislative Council Staff



Impact

Tax Years 2022, 2023

(Collected in 2023, 2024)

- SB21-293
 - \$2.2M

- SB21-293 & Prop 120
 - \$2.2M - \$5.2M



Approaches

Soon

- Prevent reductions in 2023
- Timing
 - May: politicizes election
 - November: addition \$500k
- Actual financial impact ~August

Wait

- Allows storyline to get clearer
 - Other attempts to reduce revenue
 - Other attempts to legislate
 - Actual expenses
 - Capital spending
- Prop 120 legal challenges
- Actual financial impact

